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STATE OF NEW YORK  
**OFFICE OF THE STATE COMPTROLLER**

September 10, 1999

Mr. Clarence D. Rappleyea  
Chairman and Chief Executive Officer  
New York State Power Authority  
123 Main Street  
White Plains, NY 10601

Re: Report 99-Y-27

Dear Mr. Rappleyea:

To assist in your oversight of the New York State Power Authority's (NYPA) Year 2000 compliance progress, we reviewed selected steps being taken by NYPA, as of August 9, 1999, to make the Customer Information and Billing System (CIBS) and the Open Access Same-Time Information System (OASIS) Year 2000 compliant. NYPA classified CIBS and OASIS as being "mission critical," with any failures in these two systems having a critical or severe impact upon its operations.

CIBS is a mainframe application written in COBOL in the mid-1980s. It provides NYPA with billing services for its government and wholesale (industrial) customers. CIBS also performs load management and load forecasting tasks. CIBS operates on a mainframe computer leased from New York State's Office of General Services. OASIS is an application managed by the New York Power Pool (Pool). The Pool is a co-operative organization of New York State utility companies. OASIS gives Pool members (including NYPA) access to power transmission information and enables them to "buy" and "sell" electrical power.

The steps we selected for review pertained to Year 2000 project planning and management, Year 2000 system testing, identification and correction of system data exchanges, and the establishment of contingency plans for continuing important business and service functions in the event of a Year 2000-related failure.

The objective of our review was to assess whether NYPA appears to be taking the necessary steps to address the Year 2000 problems related to CIBS and OASIS. To complete our review we interviewed NYPA personnel and reviewed NYPA documents. Based on these interviews and document reviews, we completed a Year 2000 questionnaire to assess specific Year 2000 issues (see the attached table). Unlike an audit, a review does not include testing or

verification of information and records provided by NYPA and does not include a review of internal controls. Therefore, we cannot conclude whether CIBS and OASIS will be Year 2000 compliant in a timely manner.

The results of our review show that NYPA took many of the steps necessary to address Year 2000 problems related to CIBS and OASIS. For example:

- NYPA created an Integrated Year 2000 Plan and a Vision 2000 Project Management Office to facilitate its Year 2000 initiative.
- For CIBS, NYPA assessed all application and hardware systems for Year 2000 compliance. NYPA upgraded application and hardware systems, where necessary, to make them Year 2000 compliant and conducted tests to ensure that transactions, including data exchanges, will be processed correctly after December 31, 1999. The main data exchange is with Con Edison, which delivers NYPA power to government customers, and provides meter and other information to NYPA for billing purposes.
- Although OASIS is not a NYPA-operated application, NYPA is a major user. To help ensure that OASIS will operate properly, NYPA contacted software and hardware vendors to verify the Year 2000 compliance status. NYPA tested simulated transactions dated after December 31, 1999 to verify the correct processing of data.
- NYPA has established contingency plans that provide for alternate means to process transactions in the event that CIBS and/or OASIS experience a Year 2000-related failure.

Major contributors to this report were Robert Mehrhoff, Abe Fish, and Debra Wolrich.

Your comments to this review are welcome. We wish to express our appreciation to the management and staff of the New York State Power Authority for the courtesies and cooperation extended to our staff during this review, and hope that it is helpful to your Year 2000 monitoring and oversight responsibilities.

Very truly yours,

Frank J. Houston  
Audit Director

cc: John P. Leonard  
Russell J. Kraus  
Gary Davis

**NEW YORK STATE POWER AUTHORITY  
YEAR 2000 ASSESSMENT QUESTIONNAIRE  
CUSTOMER INFORMATION AND BILLING SYSTEM (CIBS)  
OPEN ACCESS SAME-TIME INFORMATION SYSTEM (OASIS)**

**TABLE**

A colored "traffic light" legend is included in the table below to assist management in focusing an appropriate level of attention on the issues identified in the Status and Comments sections of the Review Findings.

**Legend:**

	Status/Comments contain matters which may be of immediate concern to management.		Status/Comments contain matters which management may wish to consider.		Status/Comments do not contain issues which require immediate management consideration.
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**Review Findings:**

	YEAR 2000 STEPS	STATUS	COMMENTS
	<b>A. PROJECT PLANNING &amp; MANAGEMENT</b>		
	A1. Are there written Year 2000 Project Plans (Plans) and do they include/identify steps needed to correct the systems in question?	Yes	NYPA has an Integrated Year 2000 Plan and Year 2000 Project Plans for both CIBS and OASIS.
	A2. Do the Plans (or any other available records) define what is meant by "compliance" when describing systems at the agency which are Year 2000 ready?	Yes	NYPA uses the Nuclear Energy Institute definition of compliance.
	A3. Are there written schedules covering the time frames for achieving compliance for the systems in question?	Yes	NYPA developed written schedules for the completion of each Year 2000 milestone.
	A4. Is progress toward completion of the schedules for the systems in question being monitored?	Yes	The NYPA Vision 2000 Project Management Office monitored progress, and kept the Executive Steering Committee and the Board of Trustees apprised of progress. Additionally, the NYPA Quality Assurance Unit conducted reviews.

**TABLE (Cont'd)**

	<b>YEAR 2000 STEPS</b>	<b>STATUS</b>	<b>COMMENTS</b>
	A5. Are the systems in question meeting the schedules (no significant slippage being reported)?	Yes	Both CIBS and OASIS met their schedules. CIBS was remediated and tested in 1998 and signed-off as Year 2000 Ready in June 1999. OASIS was designed compliant, and signed-off as Year 2000 Ready in June 1999.
	<b>B. TEST PLANS</b>		
	B1. Are there documented test plans and do they include/identify steps needed to ensure that the systems in question will process as expected after they have been corrected to comply with Year 2000?	Yes	NYPA prepared test plans for both CIBS and OASIS.
	<b>C. DATA EXCHANGES</b>		
	C1. Have all data exchange partners/interfaces for the systems in question been identified and included on written inventory records?	Yes	NYPA identified and tested the data interfaces for both CIBS and OASIS.
	C2. Have data exchange interfaces been considered in the overall Year 2000 Project Plans and the test plans covering the systems in question?	Yes	NYPA considered interfaces in developing its test plans.
	<b>D. CONTINGENCY PLANS</b>		
	D1. Are there written business contingency plans in place for the systems in question and do the plans specify steps for completing vital business functions if the systems in question are noncompliant or inoperable for Year 2000 purposes?	Yes	NYPA has developed contingency plans for both CIBS and OASIS. If CIBS fails to function, the billing office will send customers estimated bills based on prior year usage, and adjust those bills once the system is working again. For any OASIS failure, NYPA plans to manually process power transmission requests via telephone or fax.